

1998—Subsec. (a)(1). Pub. L. 105-185, § 531(1)(A), added par. (1) and struck out heading and text of former par. (1). Text read as follows: “There are authorized to be appropriated for each of fiscal years 1995 through 2001 such sums as are necessary to cover—

“(A) the salaries and expenses of the Corporation; and

“(B) the administrative and operating expenses of the Corporation for the sales commissions of agents.”

Subsec. (a)(2). Pub. L. 105-185, § 531(1)(B)(i), inserted “for each of the 1999 and subsequent reinsurance years” after “are necessary to cover” in introductory provisions.

Subsec. (a)(2)(A). Pub. L. 105-185, § 531(1)(B)(ii), added subpar. (A) and struck out former subpar. (A) which read as follows: “in the case of each of the 1995 through 1997 reinsurance years, the administrative and operating expenses of the Corporation for the sales commissions of agents, consistent with subsection (b)(1) of this section; and”.

Subsec. (b). Pub. L. 105-185, § 531(2), added subsec. (b) and struck out heading and text of former subsec. (b). Text read as follows:

“(1) ADMINISTRATIVE AND OPERATING EXPENSES.—In the case of each of the 1995 through 1997 reinsurance years, the Corporation is authorized to pay from the insurance fund established under subsection (c) of this section, the administrative and operating expenses of an approved insurance provider, including expenses covered by subsection (a)(1)(B) of this section.

“(2) OTHER EXPENSES.—The Corporation is authorized to pay from the insurance fund established under subsection (c) of this section—

“(A) all other expenses of the Corporation (other than expenses covered by subsection (a)(1) of this section), including all premium subsidies and indemnities;

“(B) in the case of each of the 1995 through 1997 reinsurance years, all administrative and expense reimbursements due under a reinsurance agreement with an approved insurance provider; and

“(C) to the extent necessary, expenses incurred by the Corporation to carry out research and development.”

1996—Subsec. (a)(2)(C). Pub. L. 104-127, § 193(e)(1), struck out subpar. (C) which read as follows: “payments for noninsured assistance losses under section 1519 of this title.”

Subsec. (b)(1). Pub. L. 104-127, § 193(e)(2)(A), struck out subpar. (A) designation and heading “In general”, substituted “In the case of each” for “Except as provided in subparagraph (B), in the case of each”, and struck out heading and text of subpar. (B). Prior to amendment, text read as follows: “In the case of the 1997 reinsurance year, the amount of the payments from the insurance fund established under subsection (c) of this section for the expenses of the Corporation for the sales commissions of agents may not exceed 8.5 percent of the total amount of premiums paid for additional coverage for the 1997 reinsurance year.”

Subsec. (b)(2)(A). Pub. L. 104-127, § 193(e)(3), struck out “, noninsured assistance benefits,” after “all premium subsidies”.

Subsec. (b)(2)(B). Pub. L. 104-127, § 193(e)(2)(B), struck out “subject to paragraph (1)(B),” before “in the case of each”.

1994—Pub. L. 103-354 amended section generally, substituting subsecs. (a) to (c) for former subsecs. (a) to (d) relating to authorization of appropriations to cover operating and administrative costs of Corporation, issuance of regulations, emergency funding, and borrowing authority.

1985—Subsec. (c)(1). Pub. L. 99-198 struck out provision that Secretary’s authority to use the funds of Commodity Credit Corporation for purposes of this subsection would expire one year after date on which that authority was first used.

1981—Subsec. (a). Pub. L. 97-11 designated existing provisions as par. (1) and added par. (2).

1980—Subsec. (a). Pub. L. 96-365, § 109, substituted appropriations authorization of necessary sums for

former limitation of \$12,000,000 for each fiscal year beginning after June 30, 1938; included as costs agents’ and brokers’ commissions, interest on Treasury notes and other obligations, partial premium payments by the Corporation, and the direct cost of loss adjusters for crop inspections and loss adjustments and authorized payment of these costs from premium income and other Corporation funds and restoration of such payments through subsequent year appropriations; prescribed limitation on employment of additional personnel except during emergencies; and deleted provisions for for consideration as being nonadministrative or nonoperating expenses such expenses as related to purchase, transportation, handling, or sale of the agricultural commodity and the direct cost of loss adjusters for crop inspections and loss adjustments and provision for use of premium income for administrative and operating costs within limits prescribed in applicable appropriations.

Subsecs. (c), (d). Pub. L. 96-365, § 110, added subsecs. (c) and (d).

1956—Subsec. (a). Act Aug. 3, 1956, added to list of costs which may be considered as nonadministrative or nonoperating, the direct cost of loss adjusters for crop inspections and loss adjustment, and authorized use of premium income for administrative and operating costs within limits prescribed by applicable appropriation.

1941—Subsec. (a). Act June 21, 1941, substituted “the agricultural commodity” for “wheat”, and “\$12,000,000” for “\$6,000,000”.

#### EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-185 effective July 1, 1998, see section 537 of Pub. L. 105-185, set out as a note under section 1506 of this title.

#### EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-354 effective Oct. 13, 1994, and applicable to provision of crop insurance under Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) beginning with 1995 crop year, with such Act, as in effect on the day before Oct. 13, 1994, to continue to apply with respect to 1994 crop year, see section 120 of Pub. L. 103-354, set out as a note under section 1502 of this title.

#### EFFECTIVE DATE OF 1980 AMENDMENT

Section 109 of Pub. L. 96-365 provided that the amendment made by that section is effective Oct. 1, 1980.

Section 110 of Pub. L. 96-365 provided that the amendment made by that section is effective Oct. 1, 1980.

#### TRANSFER OF FUNCTIONS

Administration of program of Federal Crop Insurance Corporation transferred to Secretary of Agriculture by 1946 Reorg. Plan No. 3, § 501, eff. July 16, 1946, 11 F.R. 7877, 60 Stat. 1100. See note set out under section 1503 of this title.

Wartime consolidation of Federal Crop Insurance Corporation into Agricultural Conservation and Adjustment Administration, see note set out under section 1503 of this title.

#### ADDITIONAL APPROPRIATION

Act Dec. 23, 1944, ch. 713, § 6, 58 Stat. 920, provided an additional appropriation not to exceed \$3,000,000 to be available for the fiscal year 1945 to carry out the provisions of this chapter for the fiscal years 1943 and 1944.

### § 1517. Separability

The sections of this chapter and subdivisions of sections are declared to be separable, and in the event any one or more sections or parts of the same of this chapter be held to be unconstitutional, the same shall not affect the validity of other sections or parts of sections of this chapter.

(Feb. 16, 1938, ch. 30, title V, § 517, 52 Stat. 77.)

#### § 1518. “Agricultural commodity” defined

“Agricultural commodity”, as used in this chapter, means wheat, cotton, flax, corn, dry beans, oats, barley, rye, tobacco, rice, peanuts, soybeans, sugar beets, sugar cane, tomatoes, grain sorghum, sunflowers, raisins, oranges, sweet corn, dry peas, freezing and canning peas, forage, apples, grapes, potatoes, timber and forests, nursery crops, citrus, and other fruits and vegetables, nuts, tame hay, native grass, aquacultural species (including, but not limited to, any species of finfish, mollusk, crustacean, or other aquatic invertebrate, amphibian, reptile, or aquatic plant propagated or reared in a controlled or selected environment), or any other agricultural commodity, excluding stored grain, determined by the Board, or any one or more of such commodities, as the context may indicate.

(Feb. 16, 1938, ch. 30, title V, § 518, as added June 21, 1941, ch. 214, § 9, 55 Stat. 256; amended Dec. 23, 1944, ch. 713, § 4, 58 Stat. 919; Aug. 25, 1949, ch. 512, § 9, 63 Stat. 665; Pub. L. 96-365, title I, § 111, Sept. 26, 1980, 94 Stat. 1319; Pub. L. 102-237, title VI, § 601(6), Dec. 13, 1991, 105 Stat. 1878; Pub. L. 103-354, title I, § 119(f)(3), Oct. 13, 1994, 108 Stat. 3208; Pub. L. 106-224, title I, § 132(b), June 20, 2000, 114 Stat. 386.)

#### PRIOR PROVISIONS

A former section 1518, act Feb. 16, 1938, ch. 30, title V, § 518, 52 Stat. 77, was transferred to section 1519 of this title at the time of the renumbering of such section 518 of act Feb. 16, 1938, as section 519 by act June 21, 1941, ch. 214, § 9, 55 Stat. 256.

#### AMENDMENTS

2000—Pub. L. 106-224 struck out “livestock and” before “stored grain” and “under subsection (a) or (m) of section 1508 of this title” after “by the Board”.

1994—Pub. L. 103-354 substituted “(m)” for “(k)” after “subsection (a) or”.

1991—Pub. L. 102-237 substituted “subsection (a) or (k)” for “subsection (a) or (i)”.

1980—Pub. L. 96-365 extended definition of “agricultural commodity” to include tomatoes, grain sorghum, sunflowers, raisins, oranges, sweet corn, dry peas, freezing and canning peas, forage, apples, grapes, nursery crops, and aquacultural species as illustrated but not limited, excluded livestock and stored grain, substituted “sugar cane” for “sugarcane”, and inserted reference to subsec. (i) of section 1508 of this title.

1949—Act Aug. 25, 1949, amended section to correct a clerical error in citation of “subsection (a) of section 1508”.

1944—Act Dec. 23, 1944, increased scope of definition of “agricultural commodity” from “wheat or cotton” to include all crops now set out.

#### EFFECTIVE DATE OF 2000 AMENDMENT

Amendment by Pub. L. 106-224 effective Oct. 1, 2000, see section 171(b)(1)(A) of Pub. L. 106-224, set out as a note under section 1501 of this title.

#### EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-354 effective Oct. 13, 1994, and applicable to provision of crop insurance under Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) beginning with 1995 crop year, with such Act, as in effect on the day before Oct. 13, 1994, to continue to apply with respect to 1994 crop year, see section 120 of Pub. L. 103-354, set out as a note under section 1502 of this title.

#### EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-365 effective Sept. 26, 1980, see section 112 of Pub. L. 96-365, set out as a note under section 1504 of this title.

#### § 1519. Repealed. Pub. L. 104-127, title I, § 196(j), Apr. 4, 1996, 110 Stat. 950

Section, act Feb. 16, 1938, ch. 30, title V, § 519, formerly § 518, 52 Stat. 77; renumbered § 519, June 21, 1941, ch. 214, § 9, 55 Stat. 256; amended Oct. 13, 1994, Pub. L. 103-354, title I, §§ 111, 112, 108 Stat. 3199, 3202, related to noninsured crop disaster assistance program. See section 7333 of this title.

#### § 1520. Producer eligibility

Except as otherwise provided in this chapter, a producer shall not be denied insurance under this chapter if—

(1) for purposes of catastrophic risk protection coverage, the producer is a “person” (as defined by the Secretary); and

(2) for purposes of any other plan of insurance, the producer is 18 years of age and has a bona fide insurable interest in a crop as an owner-operator, landlord, tenant, or sharecropper.

(Feb. 16, 1938, ch. 30, title V, § 520, as added Pub. L. 92-357, July 28, 1972, 86 Stat. 501; amended Pub. L. 103-354, title I, § 113, Oct. 13, 1994, 108 Stat. 3203.)

#### AMENDMENTS

1994—Pub. L. 103-354 substituted “Producer eligibility” for “Persons under twenty-one years of age” in section catchline and amended text generally. Prior to amendment, text read as follows: “Notwithstanding any other provision of law, no person shall be denied insurance under this chapter solely on the ground that he is under twenty-one years of age if such person is (1) over eighteen years of age, and (2) has a bona fide insurable interest in a crop as an owner-operator, landlord, tenant or sharecropper: *Provided*, That any such person who enters into a Federal Crop Insurance contract shall be subject to the same legal liability and have the same legal rights with respect to such contract as any person over the age of twenty-one years.”

#### EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-354 effective Oct. 13, 1994, and applicable to provision of crop insurance under Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) beginning with 1995 crop year, with such Act, as in effect on the day before Oct. 13, 1994, to continue to apply with respect to 1994 crop year, see section 120 of Pub. L. 103-354, set out as a note under section 1502 of this title.

#### § 1521. Ineligibility for catastrophic risk and noninsured assistance payments

If the Secretary determines that a person has knowingly adopted a material scheme or device to obtain catastrophic risk, additional coverage, or noninsured assistance benefits under this chapter to which the person is not entitled, has evaded this chapter, or has acted with the purposes of evading this chapter, the person shall be ineligible to receive all benefits applicable to the crop year for which the scheme or device was adopted. The authority provided by this section shall be in addition to, and shall not supplant, the authority provided by section 1506(n) of this title.

(Feb. 16, 1938, ch. 30, title V, § 521, as added Pub. L. 103-354, title I, § 114, Oct. 13, 1994, 108 Stat. 3203.)